



Multifamily Housing Notice 13-08

August 1, 2013

To: Developers, Sponsors and Local Housing Contacts

From: Patricia Rynn Sylvester, Director, Multifamily Housing

Re: **Rental Housing Works (RHW) – Updated Guidelines – Effective August 1, 2013**

Rental Housing Works

The Department of Housing and Community Development (DHCD) has revised the guidelines for its Rental Housing Works Initiative. Attached are clean and red-lined versions of the new Guidelines and an updated application, which are in the process of being posted to DHCD's website.

RHW is gap financing for projects funded using DHCD's Multifamily Bond Program (MBP). Therefore, RHW applications must be submitted in conjunction with a MBP application. The updated Guidelines include the following changes to RHW:

- provide that the RHW funding will be governed by the laws applicable to the MBP with certain specified exceptions instead of the Rental Housing Production and Elderly Rental Housing programs;
- increase the maximum loan amount to \$2.5 million for both new construction and rehabilitation;
- establish loan terms that mirror the loan terms and cash flow provisions included in the 2013 QAP and Guide sent to the Governor for signature;
- specify that RHW may not be used as cash collateral for short-term bonds; and
- emphasize that projects are funded on a first-ready, first-served basis and that failure to meet processing timeframes may result in the project being withdrawn from processing.

DHCD greatly appreciates the thoughtful recommendations received from the Maryland Affordable Housing Coalition (MAHC) and other members of the affordable housing community. Many of these recommendations are included in the updated guidelines. We look forward to our continued partnerships to address the affordable rental housing needs of Maryland's citizens and communities.

Please remember that we are announcing future round deadlines, significant application changes, bond program amendments, and other key dates and facts on our web site and by email only. Please make sure that we have your current email address. Please send any additions or corrections to rentalhousing@mdhousing.org as soon as possible.

Notices are posted to the DHCD website at the following locations:
<http://mdhousing.org/Website/programs/rhf/Default.aspx#Notices>
<http://mdhousing.org/Website/programs/lihtc/Default.aspx>

Thank you for your interest and participation in the multifamily housing programs in Maryland.

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